

January Session, 2015

Proposed Substitute Bill No. 6832

LCO No. 5073

AN ACT REPEALING THE HIGH PERFORMANCE WORK ORGANIZATION PROGRAM AND THRESHOLD PROJECT PROVISIONS CONCERNING FINANCIAL ASSISTANCE AWARDED BY THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT AND CONNECTICUT INNOVATIONS, INCORPORATED.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsection (a) of section 10-95f of the general statutes is
- 2 repealed and the following is substituted in lieu thereof (Effective
- 3 *October 1, 2015*):
- 4 (a) Whenever the term "regional vocational-technical school" or
- 5 "regional vocational-technical schools" is used or referred to in the
- 6 following sections of the general statutes, the term "technical high
- 7 school" or "technical high schools" shall be substituted in lieu thereof:
- 8 4-124ff, 4a-11a, 4d-83, 5-275, 8-265pp, 10-9, 10-19d, 10-19e, 10-21g, 10-
- 9 66p, 10-67, 10-74d, 10-76q, 10-95a, 10-95j, 10-95n, 10-95o, 10-97, 10-98a,
- 10 10-233d, 10-235, 10-264l, 10-283, 10-287d, 10a-55e, 10a-55g, 10a-72d,
- 11 17b-610, 31-3c, 31-3h, 31-3k, 31-11p, 32-4i [,] and 32-6j. [and 32-475.]
- 12 Sec. 2. Subdivision (3) of subsection (a) of section 32-1m of the
- 13 general statutes is repealed and the following is substituted in lieu
- 14 thereof (*Effective October 1, 2015*):

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- 15 (3) An analysis of the economic development portfolio of the department, including:
- 17 (A) A list of the names, addresses and locations of all recipients of 18 the department's assistance;

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- (B) The following information concerning each recipient of such assistance: (i) Business activities, (ii) standard industrial classification codes or North American industrial classification codes, (iii) number of full-time jobs and part-time jobs at the time of application, (iv) number of actual full-time jobs and actual part-time jobs during the preceding state fiscal year, (v) whether the recipient is a minority or womanowned business, (vi) a summary of the terms and conditions for the assistance, including the type and amount of state financial assistance, job creation or retention requirements and anticipated wage rates, (vii) the amount of investments from private and other nonstate sources that have been leveraged by the assistance, (viii) the extent to which employees of the recipient participate in health benefit plans offered by such recipient, (ix) the extent to which the recipient offers unique economic, social, cultural or aesthetic attributes to the municipality in which the recipient is located or to the state, and (x) the amount of state investment;
- (C) A portfolio analysis, including (i) an analysis of the wages paid by recipients of financial assistance, (ii) the average portfolio wage, median portfolio wage, highest and lowest portfolio wage, (iii) portfolio wage data by industry, and (iv) portfolio wage data by municipality;
- (D) An investment analysis, including (i) total portfolio value, (ii) total investment by industry, (iii) portfolio dollar per job average, and (iv) portfolio leverage ratio; [, and (v) percentage of financial assistance which was provided to high performance work organizations in the preceding state fiscal year;] and
- (E) An analysis of the estimated economic effects of the department's economic development investments on the state's

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- economy, including (i) contribution to gross state product for the total
- 48 economic development portfolio and for any investment activity
- 49 occurring in the preceding state fiscal year, (ii) direct and indirect
- 50 employment created by the investments for the total portfolio and for
- any investment activity occurring in the preceding state fiscal year, (iii)
- 52 productivity of recipients of financial assistance as a result of the
- 53 department's investment occurring in the preceding state fiscal year,
- 54 (iv) directly or indirectly increased property values in the
- 55 municipalities in which the recipients of assistance are located, and (v)
- 56 personal income.
- 57 Sec. 3. Subsection (a) of section 32-7f of the general statutes is
- 58 repealed and the following is substituted in lieu thereof (Effective
- 59 *October 1, 2015*):
- 60 (a) The Commissioner of Economic and Community Development
- 61 shall establish an economic development grants program to provide
- 62 grants for the following programs and purposes:
- 63 (1) To develop a small business incubator program to entities
- operating incubator facilities, as defined in section 32-34;
- 65 (2) To promote, retain and expand hydrogen and fuel cell industries
- 66 in Connecticut;
- 67 (3) To promote supply chain integration and encourage the
- 68 adoption of digital manufacturing and information technologies;
- 69 [(4) To provide training for small and medium-sized businesses in
- 70 high-performance work practices;
- 71 [(5)] (4) To support the development of marine science, maritime
- 72 and homeland security defense industries;
- 73 [(6)] (5) To promote research innovation and nanotechnology; and
- 74 [(7)] (6) To provide technical assistance to small business owners.
- 75 Sec. 4. Subsection (a) of section 32-11f of the general statutes is

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- 76 repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- 78 (a) (1) Wherever the term "Connecticut Development Authority" is
- 79 used in the following sections of the general statutes, the term
- 80 "Connecticut Innovations, Incorporated" shall be substituted in lieu
- 81 thereof: 3-24d, 3-24f, 3-99d, 8-134, 8-134a, 8-192, 8-192a, 8-240m, 13b-
- 82 79w, 16-243v, 22a-134, 22a-173, 22a-259, 22a-264, 25-33a, 32-1*l*, 32-3, 32-
- 83 4*l*, 32-6j, 32-9c, 32-9n, 32-9qq, 32-22b, 32-23*l*, 32-23o, 32-23q, 32-23r, 32-
- 84 23s, 32-23t, 32-23v, 32-23x, 32-23z, 32-23aa, 32-23qq, 32-23ss, 32-23tt, 32-
- 85 31a, 32-61, 32-68a, 32-141, 32-222, 32-223, 32-227, 32-244, 32-244a, 32-
- 86 262, 32-263, 32-265, 32-266, 32-285, 32-341, [32-477,] 32-500, 32-503, 32-
- 87 609, 32-761, 32-763 and 32-768.
- 88 (2) Wherever the term "authority" is used in the following sections
- 89 of the general statutes, the term "corporation" shall be substituted in
- 90 lieu thereof: 32-14, 32-15, 32-16, 32-16a, 32-17a, 32-18, 32-19, 32-22, 32-
- 91 22a, 32-23a, 32-23j, 32-23o, 32-23p, 32-23q, 32-23r, 32-23s, 32-23v, 32-
- 92 23x, 32-23y, 32-23z, 32-23bb, 32-23ii, 32-23jj, 32-23kk, 32-23ll, 32-23qq,
- 93 32-23ss, 32-23tt, 32-23uu, 32-23vv, 32-31a, 32-61, 32-62, 32-63, 32-64, 32-
- 94 65, 32-67, 32-68a, 32-262, 32-263, 32-265, 32-267, 32-269, 32-270, 32-271,
- 95 32-272, 32-280, 32-282, 32-285, 32-341, 32-356, 32-500, 32-503, 32-717 and
- 96 32-718.
- 97 Sec. 5. Subsection (b) of section 32-410 of the general statutes is
- 98 repealed and the following is substituted in lieu thereof (Effective
- 99 October 1, 2015):
- 100 (b) The proceeds of the sale of said bonds, to the extent of the
- amount stated in subsection (a) of this section, shall be used by the
- 102 corporation as follows: (1) Three million dollars for the program
- established in section 32-41j of the general statutes, revision of 1958,
- 104 <u>revised to January 1, 2015</u>; (2) five hundred thousand dollars for the
- program established in section 32-41k of the general statutes, revision
- of 1958, revised to January 1, 2015; (3) one million two hundred fifty
- 107 thousand dollars for the program established and for the eligible
- business consortium approved in section 32-41l; and (4) seven hundred

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- fifty thousand dollars for the program established and for the eligible business consortium approved in section 32-41m.
- Sec. 6. Subsection (b) of section 32-235 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1*, 2015):
- 114 (b) The proceeds of the sale of said bonds, to the extent of the 115 amount stated in subsection (a) of this section, shall be used by the 116 Department of Economic and Community Development (1) for the 117 purposes of sections 32-220 to 32-234, inclusive, including economic 118 cluster-related programs and activities, and for the Connecticut job 119 training finance demonstration program pursuant to sections 32-23uu 120 and 32-23vv, provided (A) three million dollars shall be used by said 121 department solely for the purposes of section 32-23uu and not more 122 than five million two hundred fifty thousand dollars of the amount 123 stated in said subsection (a) may be used by said department for the 124 purposes of section 31-3u, (B) not less than one million dollars shall be 125 used for an educational technology grant to the deployment center 126 program and the nonprofit business consortium deployment center 127 approved pursuant to section 32-41l, (C) not less than two million 128 dollars shall be used by said department for the establishment of a 129 pilot program to make grants to businesses in designated areas of the 130 state for construction, renovation or improvement of small manufacturing facilities, provided such grants are matched by the 131 132 a municipality or another financing entity. business, 133 Commissioner of Economic and Community Development shall 134 designate areas of the state where manufacturing is a substantial part 135 of the local economy and shall make grants under such pilot program 136 which are likely to produce a significant economic development 137 benefit for the designated area, (D) five million dollars may be used by 138 said department for the manufacturing competitiveness grants 139 program, (E) one million dollars shall be used by said department for 140 the purpose of a grant to the Connecticut Center for Advanced 141 Technology, for the purposes of subdivision [(5)] (4) of subsection (a) 142 of section 32-7f, as amended by this act, (F) fifty million dollars shall be

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used by said department for the purpose of grants to the United States 143 144 Department of the Navy, the United States Department of Defense or 145 eligible applicants for projects related to the enhancement of 146 infrastructure for long-term, on-going naval operations at the United 147 States Naval Submarine Base-New London, located in Groton, which 148 will increase the military value of said base. Such projects shall not be 149 subject to the provisions of sections 4a-60 and 4a-60a, (G) two million 150 dollars shall be used by said department for the purpose of a grant to 151 Connecticut Center for Advanced Technology, Inc., 152 manufacturing initiatives, including aerospace and defense, and (H) 153 four million dollars shall be used by said department for the purpose 154 of a grant to companies adversely impacted by the construction at the 155 Quinnipiac Bridge, where such grant may be used to offset the increase 156 in costs of commercial overland transportation of goods or materials 157 brought to the port of New Haven by ship or vessel, (2) for the 158 purposes of the small business assistance program established 159 pursuant to section 32-9yy, provided fifteen million dollars shall be deposited in the small business assistance account established 160 161 pursuant to said section 32-9yy, and (3) to deposit twenty million 162 dollars in the small business express assistance account established 163 pursuant to section 32-7h.

Sec. 7. Section 32-458 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):

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[Any awarding authority, as defined in section 32-450] The Commissioner of Economic and Community Development and the board of directors of Connecticut Innovations, Incorporated, when determining whether to grant any economic development financial assistance, shall consider whether the applicant for such financial assistance or any principal of such applicant (1) is currently subject to litigation in civil court for a debt, or (2) has any amount of taxes due and unpaid to the state or a municipality. For purposes of this section, "economic development financial assistance" means any grant, loan or loan guarantee, or combination thereof, or any tax credit approved pursuant to section 32-9t, provided to a business for the purpose of

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- 177 <u>economic development.</u>
- 178 Sec. 8. Sections 31-3v, 32-41j, 32-41k, 32-450 to 32-457, inclusive, and
- 179 32-475 to 32-480, inclusive, of the general statutes are repealed.
- 180 (Effective October 1, 2015)

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2015	10-95f(a)
Sec. 2	October 1, 2015	32-1m(a)(3)
Sec. 3	October 1, 2015	32-7f(a)
Sec. 4	October 1, 2015	32-11f(a)
Sec. 5	October 1, 2015	32-41o(b)
Sec. 6	October 1, 2015	32-235(b)
Sec. 7	October 1, 2015	32-458
Sec. 8	October 1, 2015	Repealer section

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